This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 ANKARA 001035

SIPDIS

SENSITIVE

STATE FOR EUR/SE, EB/EPD, AND EB/TPP/ABT DEPT PLEASE PASS USTR FOR NOVELLI, DBIRDSEY USDA FOR FAS FOR ITP/BERTSCH, MACKE, MEYER, THORBURN; CMP FOR ALL COMMODITY DIVISIONS EMO/FREEDAN USDA FOR APHIS/ACKERMAN, PATEL USDA FOR GIPSA/FGIS REILLY USDOC FOR DEFALCO VIENNA FOR APHIS/VINCINANZA

E.O. 12958: N/A TAGS: ETRD EAGR KPAO TU USTR

SUBJECT: Turkish Officials to Suspend New Quarantine Regs

Ref: (A) 2002 Ankara 9192 (B) 2003 Ankara 441

Sensitive but Unclassified. Not for Internet Distribution.

This is an action message. See para

(SBU) Summary. Turkish officials announced that the temporary suspension of new phytosanitary regulations implemented on January 3, 2003 that have impacted agricultural trade with Turkey. Post expects official announcement shortly. Pressure from Turkish poultry and feed representatives, trading companies and foreign governments played a major role in this decision. At subsequent meetings between USDA and Turkish officials agreement was reached on a number of technical issues which, if implemented, will ensure continued access to the Turkish market for U.S. commodities and plant products. End Summary.

Suspension of Phyto Regulations

12. (SBU) On February 6, Vedat Uzunlu, Turkey's Deputy Under Secretary for Agriculture and Rural Affairs told USDA officials that Turkey's new phytosanitary regulations implemented on January 3 (Ref A) would be suspended until The announcement was made during a meeting with USDA officials including representatives from Animal and Plant Health and Inspection Service (APHIS) and Federal Grain Inspection Service (FGIS). APHIS and FGIS officials were in Ankara to discuss U.S. concerns about the new regulations with Turkish officials. Dr. Uzunlu noted that the Turkish government would be reviewing the regulations over the next several months with industry and foreign governments in the hope that new regulations could be announced in July that would not impact trade. Uzunlu welcomed any help USDA could provide in furthering these discussions.

(SBU) It appears that pressure from industry groups as well as foreign governments persuaded Ministry of Agriculture and Rural Affairs (MARA) officials to take action to rescind these regulations. Since they were implemented in early January, the regulations had severely impacted agricultural trade and in turn Turkey's domestic agriculture industries. At a meeting with the Turkish poultry producers association, MARA officials were informed that the poultry industry would soon run out of feed unless the regulations were lifted. U.S. exports of corn were completely halted as a result of the regulations which left Turkey's feed and poultry industries without any raw materials. According to traders, corn prices had increased by close to \$40 a ton during the month the regulations were in place.

Confirmation from Other Sources

14. (SBU) Post was contacted by industry officials as well as representatives from the Hungarian and EU delegations in Turkey who had received the same information about the suspension. According to DUS/Uzunlu the suspension would be announced shortly in the Official Gazete which is the equivalent to the U.S. Federal Register. Post is monitoring this publication for this announcement and will inform Washington immediately. Unfortunately, due to the Muslim holiday, publication may be delayed until the week of February 17th.

USDA Technical Discussions

15. (SBU) On February 6, the USDA delegation met with Protection and Control officials to discuss their concerns with the new regulations. USDA officials stressed the importance of greater more communication between U.S. and Turkish technical staffs as a way of exchanging information and avoiding any misunderstandings in the future.

16. (SBU) Technical concerns in grains, seeds, wood products, oilseeds and vegetables were discussed. In each case, the Turkish officials agreed in principal to change the regulations after a further review. However, until these changes are officially announced, it is not certain that they will actually be accepted and implemented. Post will work with APHIS officials on a follow-up letter to confirm these changes.

ACTION REQUEST: TIRF Proposal

17. (SBU) During the technical discussions in Ankara, it became clear that current Turkish quarantine and research officials had little understanding of the U.S. grain inspection system and the U.S. approach to phytosanitary issues. APHIS/FGIS/FAS delegation suggests that a delegation of Turkish technical officials would greatly benefit from visits to grain inspection and testing facilities. FAS/ITP along with APHIS officials will prepare a proposal under the Technical Issues Resolution Fund (TIRF) with the hope of sending a Turkish team to the United States in April. Post supports this proposal as a first step in improving communications between U.S. and Turkish Officials.

Comment: Timing is Everything

18. (SBU) The combination of immediate pressure from Turkey's domestic industries along with foreign governments played a major role in the suspension of the phytosanitary regulations. In addition, the lack of feed in Turkey and the absence of alternative corn imports also helped Turkish officials to respond positively on these issues. The timely visit of the APHIS/FGIX team to Ankara added additional weight and legitimacy to these concerns. By responding to the situation quickly the team was able to maximize these factors. The new Turkish Ministry of Agriculture officials appears to be more open to discussions, at least initially. (Septel) It is essential that the meetings between USDA and Turkish agriculture officials this past week only be the first step in order to ensure continued cooperation and access to this market.

MARCIEL